



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

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**FOR IMMEDIATE RELEASE**

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**EL PASO COMPANY, MANAGERS INDICTED IN FRAUD SCHEME**

**United States Attorney Johnny Sutton** announced that a federal grand jury in El Paso returned a seven-count indictment charging an environmental services company and two managers with defrauding the City of El Paso.

The indictment charges Villafam Contracting Services, LLC, 45-year-old Hector I. Villa, III and his sister, 35-year-old Denise Y. Villa-Aceves with one count of conspiracy to commit mail fraud. Additionally, Villafam is charged with one count of mail fraud, and Hector I. Villa, III, and his sister, Denise Y. Villa-Aceves, with six counts of mail fraud. The indict also contains a notice of forfeiture in which the government is seeking the forfeiture of proceeds derived from the defendants' fraudulent scheme including company assets and a monetary judgement of \$391,393.07.

The indictment alleges that from April 21, 1999 to present, the defendants devised and implemented a scheme to fraudulently collect money from the city with respect to the collection and disposal of household hazardous waste material. The defendants submitted fraudulent invoices to the city which inflated the amount of hazardous waste collected and disposed of by the company. Allegedly, the defendants overbilled the city by an estimated \$391,393.07.

Upon conviction, Villa and Villa-Aceves each face up to 30 years in federal prison. Villafam Contracting Services, LLC. is subject to \$500,000.00 in fines. Initial appearances are scheduled for 3:00pm this afternoon before United States Magistrate Judge Norbert Garney.

This case is being investigated by the Federal Bureau of Investigation and Environmental Protection Agency together with the El Paso County Sheriff's Office. Assistant United States Attorney William Lewis, Jr., is prosecuting this case on behalf of the government.

**An indictment is a formal accusation of criminal conduct, not evidence. The defendants are presumed innocent unless and until convicted through due process of law.**

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